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THE SENATE OF MARYLAND  
FINANCE COMMITTEE

January 27, 2014

Dr. Craig Tanio, Chairman  
Maryland Health Care Commission

Mr. Garret A. Falcone, Vice Chairman  
Maryland Health Care Commission

Members of the Maryland Health Care Commission

Ladies and Gentlemen:

This letter conveys the Senate Finance Committee's comments on the proposed Cardiac Surgery and Percutaneous Coronary Intervention Services regulations pursuant to Section 7 of Chapter 418 of the Laws of 2012.

The Finance Committee questions the authority of the Maryland Health Care Commission through regulations to require the voluntary relinquishment of a cardiac surgery services CON. Chapter 418 of 2012 specifically authorizes the commission to require voluntary relinquishment of the authority to provide emergency or elective PCI services, as part of a certificate of conformance or ongoing performance, if the acute hospital (**without on-site cardiac surgery services**) fails to meet applicable standards of the commission. A reference to cardiac surgery services, pertaining to voluntary relinquishment, was struck from the bill. Language was also added that made clear that voluntary relinquishment only applies to PCI programs at acute care hospitals without on-site cardiac surgery services.

The committee believes that there should be specific legislative statutory authorization in order for the commission to have the authority to revoke or require voluntary relinquishment of a CON for cardiac surgery services.

Notwithstanding the previous comments, the committee has concerns regarding the process envisioned by the commission for certificates of conformance and performance for cardiac surgery services as they relate to Prince George's Hospital. The State has a significant investment in the hospital in terms of general and capital funds. For example, from fiscal 2002 to fiscal 2007 the State provided the hospital \$15.8 million, and from fiscal 2009 to fiscal 2011, the State provided the hospital \$39 million. Since fiscal 2012, the hospital has been receiving an annual operating subsidy of \$15 million. In addition, the State has committed \$200 million in capital funds to construct a new facility. The committee understands that current volumes for cardiac surgery are extremely low at Prince George's

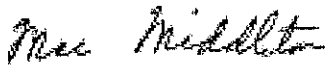
Hospital, but hope the process for obtaining certificates of conformance and performance for that hospital would take into the account the State's investment and allow the hospital the 3 to 5 years it needs to build a program that meets commission minimum standards for a quality program.

The committee agrees with Anne Arundel Medical Center's (AAMC) request to restore the original proposed language for "Need," section (a), under the Cardiac Surgery Standards portion of the proposed regulations. Specifically, AAMC would prefer that "...projected demand for cardiac surgery by the population to be served, rather than "in its service area."

Finally, the committee agrees with Carroll Hospital Center, who is seeking certificates for elective PCI, that the process for finalizing the regulations proceed as expeditiously as possible.

Thank you for your attention and consideration of this important matter.

Very truly yours,



Thomas McLain Middleton, Chairman



John C. Astle, Vice Chairman

TMM:JCA/das

cc: Members of the Senate Finance Committee  
Mr. Ben Steffen, Executive Director, MHCC  
Ms. Linda Cole, MHCC